

## Pari-Mutuel Wagering Tax

Pari-mutuel wagering tax is imposed for race meets other than those conducted on Nebraska State Fairground Property. Wagers placed at live meets, simulcast events, by telewagering, and by telephonic wagering are subject to tax. The tax applies to every corporation or association licensed to conduct horseracing within the state.

The tax rate is a two-tier system. The first \$10,000,000 of wagers are exempt. For wager amounts over \$10,000,000 and less than or equal to \$73,000,000, the tax rate is two and one-half percent. For amounts

in excess of \$73,000,000 the tax rate is four percent. A tax credit is allowed for capital improvements and maintenance of the premises within the race track enclosure. The credit claimed cannot exceed \$1,400,000 and is equal to two percent of the first \$70,000,000 of taxable wagers. An additional tax of one-half percent is imposed on wagers placed by telephone. The one-half percent tax on wagers placed by telephone is deposited in the Racing Commission's Cash Fund. All other revenue is deposited in the General Fund.

**Table 6 — 2004 Pari-Mutuel Report**

ORGANIZATION	LIVE RACE MEETS	NEBRASKA SIMULCAST	OUT OF STATE SIMULCAST	TELEPHONIC WAGERING	TOTAL	AMOUNT TAXABLE	TAX & FEES DUE	TAX CREDIT	TAX PAID
Hall County Improvement Assn.	\$4,580,203	\$491,913	\$11,625,989	\$0	<b>\$16,698,105</b>	\$6,698,105	\$167,453	\$133,962	\$33,492
Omaha Exposition & Racing, Inc.	583,705	2,625,915	55,821,961	0	<b>59,031,581</b>	49,031,581	1,225,790	980,632	245,158
ATOKAD Agriculture & Racing Assn.	152,787	394,319	4,864,465	0	<b>5,411,571</b>	0	0	0	0
Platte County Agricultural Society	1,577,094	575,254	5,566,255	0	<b>7,718,603</b>	0	0	0	0
Nebraska State Board of Agriculture	1,732,081	918,454	15,842,521	0	<b>18,493,056</b>	8,493,051	212,326	169,861	42,465
<b>Total</b>	<b>\$8,625,870</b>	<b>\$5,005,855</b>	<b>\$93,721,191</b>	<b>\$0</b>	<b>\$107,352,916</b>	<b>\$64,222,737</b>	<b>\$1,605,569</b>	<b>\$1,284,455</b>	<b>\$321,115</b>

### Chronology of Pari-Mutuel Tax Rates

	LIVE RACE MEETS	NEBRASKA SIMULCAST	OUT OF STATE SIMULCAST	TOTAL	AMOUNT TAXABLE	TAX DUE	TAX CREDIT	TAX PAID
1990	\$65,976,048	\$46,121,266	\$13,083,748	<b>\$125,181,062</b>	\$73,113,450	\$1,462,269	\$1,462,269	\$0
1991	53,164,942	43,514,910	18,083,307	<b>114,763,159</b>	66,122,266	1,653,057	1,322,445	330,611
1992	53,478,580	43,405,104	21,385,065	<b>118,268,749</b>	69,848,538	1,746,213	1,396,971	349,243
1993	46,805,857	37,828,433	25,003,856	<b>109,638,146</b>	61,339,223	1,533,481	1,226,784	306,696
1994	28,504,850	8,213,455	48,267,613	<b>84,985,918</b>	64,985,918	1,624,648	1,299,718	324,930
1995	25,870,809	15,022,237	77,502,903	<b>118,395,949</b>	65,407,650	1,635,191	1,308,150	327,041
1996	10,226,390	8,742,475	71,067,296	<b>90,036,361</b>	42,244,246	1,056,107	844,885	211,222
1997	9,295,840	7,302,737	71,529,486	<b>88,128,063</b>	41,824,793	1,045,620	836,499	209,121
1998	7,965,015	5,014,469	92,111,131	<b>105,091,665</b>	59,490,425	1,487,261	1,189,788	297,445
1999	10,068,127	5,939,496	94,932,440	<b>110,940,063</b>	66,515,208	1,662,880	1,330,304	332,576
2000	9,504,065	5,571,353	95,462,640	<b>110,488,058</b>	390,058,413	8,135,698	7,801,168	334,530
2001	8,642,910	5,363,606	99,845,725	<b>113,852,241</b>	65,301,333	1,632,588	1,306,027	327,529
2002	8,741,849	5,603,053	98,694,397	<b>107,255,574</b>	73,569,576	1,839,148	1,471,300	373,878
2003	8,168,013	5,101,720	99,014,921	<b>112,284,654</b>	71,456,681	1,786,417	1,429,134	357,283
2004	8,625,870	5,005,855	93,721,191	<b>107,352,916</b>	64,222,737	1,605,569	1,284,455	321,115